

Marsh Claims Solutions Business Interruption Review

Protecting your business from the financial penalties of underinsurance

The challenge

Business interruption (BI) can occur due to natural disasters, cyberattacks, geopolitical conflict and other risk events. While business interruption is not a new risk, companies still struggle to accurately assess their risk exposures in the event of a loss, especially as calculating insurance gross profit differs from accounting gross profit.

Common mistakes:

- ✗ Misconceptions or misunderstandings in determining the accurate business interruption declared values.
- ✗ Insufficient maximum indemnity periods to enable recovery.
- ✗ Inconsistent interpretation of policy wording.
- ✗ Inadequate supply chain protection, both internal and external to an organisation, and restrictive territorial clauses.

How can Marsh help?

Marsh Claims Solutions Forensic team conducts BI Reviews that include BI declared values and policy wording reviews, loss scenarios analysis and training to provide tailored recommendations and solutions.

BI Review options:

	Basic BI Review	Enhanced BI Review	Comprehensive BI Review
1. High level declared value review	✓		
2. Detailed declared value review		✓	✓
3. Loss scenario review and workshop			✓
4. Policy wording review	✓	✓	✓
5. BI training		✓	✓
6. Report summarising conclusions & recommendations	✓	✓	✓
Standard timeline (after engagement)	4-6 weeks	5-7 weeks	6-8 weeks



What does this mean to risk management?

Accurate declared values for BI insurance are critical to appropriate risk management, and one of the key drivers in the business' return to the financial condition they would have been in following an insured loss event.

Why Marsh?



Data-driven insights: In-depth assessment of BI declared values and loss scenarios covering a variety of risks, including earthquakes, typhoons, floods or fires.



Extensive claims experience in both claims preparation and advocacy, and provide critical insights on BI coverage requirements.



Breadth of expertise: Not limited to Property Damage or BI policies, include Delay in Startup (DSU) and Cyber policies across all industries.



Geographic coverage: Specialised BI experts across countries in Asia.



Proven experience: Undertaken BI reviews for hundreds of clients across Asia.



Collaborative model: Bringing together the collective strength of Marsh – Property Risk and Valuations, Analytics and Claims Solutions – to assess risks.



Marsh Claims Solutions was meticulous in understanding our complex business to estimate our maximum foreseeable loss, and recommended an increased maximum indemnity period to avoid potential uninsured losses of over US\$100 million.

Marsh Technology Client



We appreciate the advice provided on the methodology in estimating our BI declared value, protecting us from the application of "Average" clause due to underinsurance.

Marsh Manufacturing Client



Contact

For further information, please [click here](#) to contact your local Marsh office.